

KEEGAN, WERLIN & PABIAN, LLP

ATTORNEYS AT LAW
265 FRANKLIN STREET
BOSTON, MASSACHUSETTS 02110-3113

(617) 951-1400

TELECOPIERS:
(617) 951-1354
(617) 951-0586

DAVID S. ROSENZWEIG
E-mail: drosen@kwplaw.com

December 3, 2004

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station - 2nd Floor
Boston, Massachusetts 02110

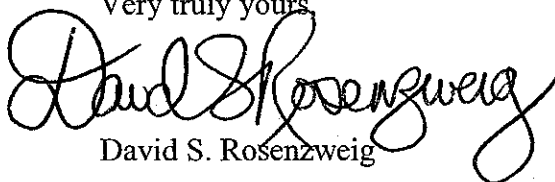
Re: City of Cambridge, D.T.E. 04-65

Dear Secretary Cottrell:

Enclosed please find the first set of discovery questions from Cambridge Electric Light Company ("NSTAR Electric" or the "Company") to the City of Cambridge in the above-referenced proceeding.

Thank you for your attention to this matter.

Very truly yours,


David S. Rosenzweig

cc: William H. Stevens, Jr., Hearing Officer
John Shortsleeve, Esq.
Christine M. Vaughan
Kerry Britland

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

City of Cambridge

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D.T.E. 04-65

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 220 CMR 1.05(1) (Department's Rules of Practice and Procedure).



David S. Rosenzweig, Esq.
Keegan, Werlin & Pabian, LLP
265 Franklin Street
Boston, MA 02110
(617) 951-1400

Dated: December 3, 2004

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

City of Cambridge

D.T.E. 04-65

**CAMBRIDGE ELECTRIC LIGHT COMPANY'S FIRST SET OF
INFORMATION REQUESTS TO THE CITY OF CAMBRIDGE**

Instructions

The following instructions apply to this set of information requests and all subsequent information requests issued by Cambridge Electric Light Company d/b/a NSTAR Electric (the "Company") to the City of Cambridge (the "City") in this proceeding.

1. Each request should be answered in writing on a separate page (paginated) with a recitation of the request, the identification number of the request (for example, NSTAR-CITY-1-1), the docket number of the case, the date of the response, and the preparer of the response or the name of the person responsible for the answer. Please mark each page of an answer with the identification number of the request. In addition, please clearly reference any attachments to a response with the number of the request to which it applies and include page numbers on all attachments.
2. Please do not wait for all responses to be completed before supplying answers, but instead please provide the answers as they are completed.
3. These information requests shall be deemed continuing in nature so as to require further supplementation if the City or its witness receive or generate additional information within the scope of those requests between the time of the original response and the close of the record in these proceedings.
4. The terms used interchangeably within these information requests relating to "any and all", "documentation", "support", and "justification" mean provide all data, assumptions, and calculations relied on. Provide the source of and basis for all data and assumptions employed. Include all studies, drafts, memos, reports, and planning documents from which such data, estimates and assumptions were used. Provide and explain any and all supporting workpapers.
5. The term "document" is used in its broadest sense and includes, without limitation, writings, drawings, graphs, charts, photographs, phonographic records, microfilm, microfiche, computer printouts, memoranda, letters, correspondence,

handwritten notes, records and reports, bills, checks, articles from journals or other sources, and other data compilations from which information can be obtained, and all copies of such documents that bear notations or other markings that differentiate such copies from the original.

6. If the Respondent believes that any of these information requests are ambiguous or need clarification, please contact David Rosenzweig or Jack Habib at (617) 951-1400 so that the requests can be clarified prior to the preparation of a written response.
7. If an answer provides a reference to another information response, please provide that response with the answer.

Information Requests

Information Requests Relating to the Pre-Filed Testimony of Mr. Chernick

- | | |
|----------------|--|
| NSTAR-CITY-1-1 | Please provide copies of: (1) any and all prefiled testimony or reports (including all associated exhibits and attachments) submitted by Mr. Chernick to state and federal regulatory authorities from 1999 to the present addressing streetlight pricing; and (2) any and all transcripts of Mr. Chernick's testimony at hearings (adjudicatory or non-adjudicatory) before state and federal regulatory authorities from 1999 to the present regarding streetlight pricing. |
| NSTAR-CITY-1-2 | Please provide copies of: (1) any and all prefiled testimony or reports (including all associated exhibits and attachments) submitted by Mr. Chernick to state and federal regulatory authorities from 1999 to the present addressing the depreciation of utility assets, depreciation reserves and accumulated depreciation; and (2) any and all transcripts of Mr. Chernick's testimony at hearings (adjudicatory or non-adjudicatory) before state and federal regulatory authorities from 1999 to the present regarding such topics. |
| NSTAR-CITY-1-3 | Please provide copies of any and all regulatory decisions addressing the issues covered by Mr. Chernick in testimony provided in response to Information Requests NSTAR-CITY-1-1 and NSTAR-CITY-1-2. Identify the decision-making authority, docket number, year of the decision, and any official citation to the decision. |

- NSTAR-CITY-1-4 Please identify all documents relied upon by Mr. Chernick in preparing this testimony. To the extent not already provided, please provide a copy of each identified document.
- NSTAR-CITY-1-5 Please identify the date that Mr. Chernick was first engaged by the City on this matter and how many hours Mr. Chernick has devoted to this engagement to date. Please also provide a copy of any engagement letter, contract or other document that sets forth the terms under which Mr. Chernick is participating in this matter.
- NSTAR-CITY-1-6 Please provide a copy of any and all reports, correspondence, memoranda, analyses, studies, emails and other documents prepared by Mr. Chernick (or his agents) relating to: (a) the subject matter of this proceeding; (b) the topic of streetlighting pricing; or (c) the depreciation of utility assets.
- NSTAR-CITY-1-7 Please provide a copy of any and all reports, studies, correspondence, memoranda, analyses, emails and other documents received by Mr. Chernick (or his agents) from the City (or its agents) relating to: (a) the subject matter of this proceeding; (b) the topic of streetlighting pricing; or (c) the depreciation of utility assets. All documents provided in response to this request should clearly indicate the source of the data and the preparer's name.
- NSTAR-CITY-1-8 Please identify on a paragraph-by-paragraph basis which provisions of the City's Amended Petition (dated October 4, 2004) Mr. Chernick agrees with and adopts as his testimony in this proceeding.
- NSTAR-CITY-1-9 Please refer to Mr. Chernick's direct testimony, p. 3, at lines 6-10. Please describe your understanding of the Company's accounting practices and explain whether and how they differ from traditional utility accounting practices.
- NSTAR-CITY-1-10 Please refer to Mr. Chernick's direct testimony, p. 3, at lines 15-17, besides depreciation expenses and retirements, are there any other items that would affect accumulated depreciation? If so, please list each item and explain how and under what circumstances they would affect accumulated depreciation.

- NSTAR-CITY-1-11 Please refer to Mr. Chernick's direct testimony, p. 6, at lines 14-17. Please explain why Mr. Chernick believes that the Company did not record depreciation for that period using Department-approved depreciation rates. Please provide a copy of all documents, reports, studies or analyses that support such belief.
- NSTAR-CITY-1-12 Please refer to Mr. Chernick's direct testimony, p. 11, at lines 2-17 and the description of the four bulleted steps used to develop the City's calculation set forth in Exhibit CAM-5. Please explain in full the state or federal regulations, policies, procedures and practices that dictate the methodology for utilities in calculating accumulated depreciation and how such regulations, policies, procedures and practices should be considered in the pricing of streetlighting equipment. In addition, please describe any other factors that may affect the depreciation of utility assets, but were not included in your analysis. Please explain the reason such factors were not included in your analysis.
- NSTAR-CITY-1-13 Please provide a working, electronic copy of Exhibit CAM-5 in Excel format.
- NSTAR-CITY-1-14 Please describe whether Mr. Chernick believes that the actual cost of removal and salvage should be included in the determination of unamortized investment in streetlighting equipment. Please provide a copy of any regulations, accounting definitions, regulatory orders, textbook treatises or other sources that support Mr. Chernick's belief.
- NSTAR-CITY-1-15 Please refer to Exhibit CAM-5. Please explain how and whether the City's calculation of net streetlight plant accounts for the actual cost of removal and salvage for streetlighting equipment. Please explain whether Mr. Chernick believes that, to the extent that utility assets have a negative net salvage value, such value should be included in the determination of utility depreciation rates.
- NSTAR-CITY-1-16 With respect to Mr. Chernick's direct testimony, p. 3, at lines 6-18, please explain whether Mr. Chernick believes there is a distinction between a distribution company's: (a) unamortized investment in streetlight equipment and (b) the net book value of such streetlight equipment. If Mr. Chernick believes there is a distinction between (a) and (b), please identify with specificity what those differences are

and how Mr. Chernick would calculate both values. In addition, please provide a copy of any and all documents relied upon by Mr. Chernick in support of his conclusion.

NSTAR-CITY-1-17

Referring to the City's Petition, paragraph 20, please provide specific page citations to the Department's orders, "statute or the rulings" in D.T.E. 98-89 and D.T.E. 01-25 that dictate the treatment of the items discussed in paragraph 20, subsections (a) through (e)

NSTAR-CITY-1-18

Referring to the City's Petition, paragraph 17, and Exhibit CAM-5, please state if you believe that the Company's net book value of streetlights should be \$1,123,706. Please also specify the valuation date. Please provide a copy of all calculations, data and analysis supporting Mr. Chernick's determination of the streetlights' net book value.

NSTAR-CITY-1-19

Please explain what impact early or late retirements (retirements before or after a units expected service life) of streetlighting equipment should have on the book value of streetlighting equipment. Please provide a copy of any regulatory orders or directives, ratemaking treatises, accounting rules, standards or regulations in support of thereof.

NSTAR-CITY-1-20

Please explain how the calculation provided by the City in Exhibit CAM-5 incorporates the effect of early or late retirements of streetlighting equipment.

Dated: December 3, 2004